



How the For the People Act Closes The Revolving Door

Summary

Around 1,635 positions would face tougher revolving door restrictions because of broader requirements for outgoing Senior Personnel outlined in the *For the People Act*. Over half of these positions are part of the Department of Defense (DoD).

Overview:

Revolving door restrictions play a key role in limiting undue special interest influence over federal policymaking. The *For the People Act* restricts the revolving door from multiple angles, impacting both government employees entering the private sector and private sector employees entering the government. From proposals tackling incoming officials' conflicts of interest to those tightening lobbying restrictions, the impact of *For the People Act* is immeasurable. Accordingly, this research focuses on just one of its reforms -- restrictions on certain senior personnel leaving office -- and examines the major improvements it will have on the upper levels of our government.

Currently, Senior Personnel leaving office are banned from direct lobbying contact with their former agency/department for a one year period. The *For the People Act* significantly toughens these anti-corruption restrictions. **In addition to doubling the relevant cooling-off period to two years, the legislation expands that banned behavior to include "lobbying activity to facilitate communications to or appearance before" the former employer.** Because of the cyclical nature of the revolving door, even a few small changes to the cooling-off period for high-level officials vacating office can have major implications on federal priorities.

Methodology:

In understanding the impact of these changes, we must calculate the amount of positions affected to the best of our ability. [U.S. Code](#) identifies 5 categories of employees who qualify:

- 1: Those employed at a rate of pay specified in or fixed according to subchapter II of chapter 53 of title 5 ([the executive pay schedule](#)) who do not qualify as Very Senior Personnel (Level I of the Executive Schedule, the Vice President, and anyone in the Executive Office of the President paid at a Level II of the Executive Schedule)
 - Ex. Deputy Secretary of Defense, Members of the Federal Communications Commission
- 2: Those employed in a position not referred to in the former description who make basic pay equal or greater than 86.5% of level II of the executive pay



schedule or those who were paid at a minimum level as the amount specified in Section II prior to the enactment of the National Defense Authorization Act for Fiscal Year 2004 (only applies for two years after the enactment of the Act).

- 3: Anyone appointed by the President to a position under [section 105\(a\)\(2\)\(B\) of title 3](#) or by the Vice President to a position under section [106\(a\)\(1\)\(B\) of title 3](#)
 - Ex. Certain fixed-pay presidential and vice presidential appointees. Exact positions are unspecified.
- 4: Any active duty commissioned officer of the uniformed armed services who is serving in a grade or rank with a pay grade of O-7 or above
 - Ex. Four Star Generals, the Surgeon General
- 5: Anyone assigned from a private sector organization to an agency under chapter 37 of title 5.
 - Ex. Certain private sector employees participating in an information technology exchange.

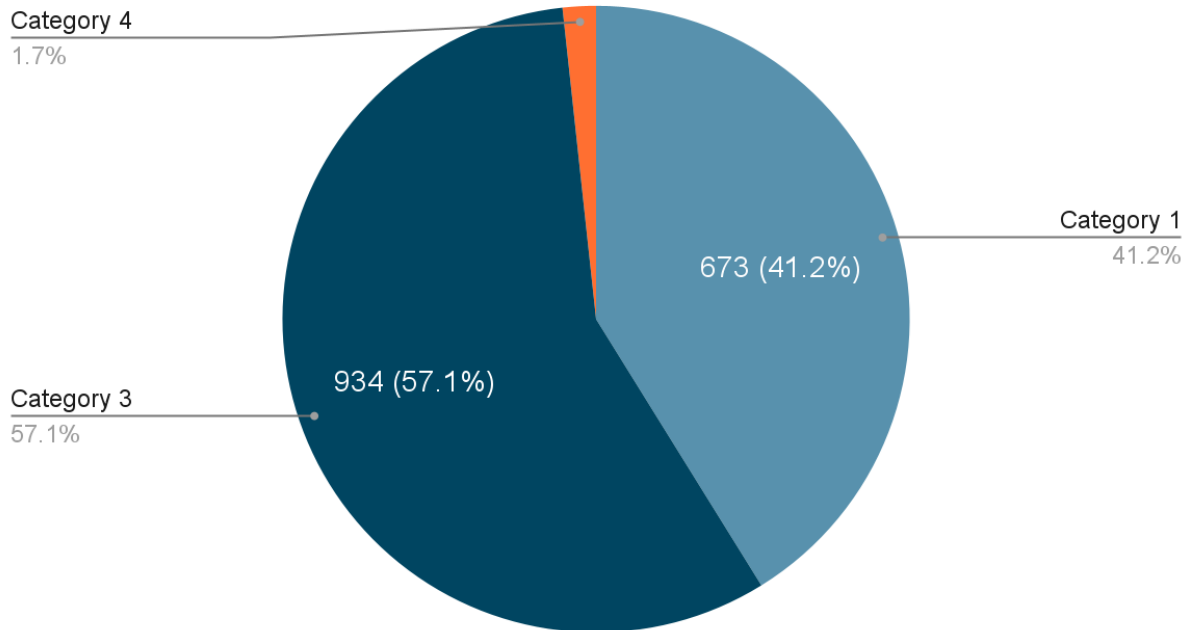
The law creates exceptions for special government employees who serve less than 60 days in the 1 year period before they terminate their service. The Director of the Office of Government Ethics may also waive restrictions in certain circumstances.

Findings

Categories 2 and 5 are omitted from these calculations because of insufficient information about the number of qualifying positions.

- In category 1, I found around **673 potential qualifying positions**.
 - Ex. Deputy Secretary of Defense, Members of the Federal Communications Commission
- In category 3, I found around **934 potential qualifying positions**, 889 of which came from the DoD.
 - Ex. Four Star Generals, the Surgeon General
- In category 4, I found a maximum of **28 potential qualifying positions**.
 - Ex. Certain fixed-pay presidential and vice presidential appointees. Exact positions are unspecified.

Breakdown of Positions Impacted



The total estimate -- around 1,635 positions impacted -- is fairly conservative, as sufficient information does not exist to calculate the amount of positions in categories 2 and 5. Although the new rules impact positions throughout the executive branch, **over half of the positions identified are part of the Department of Defense.**

Defense Industry

In 2018, the Project on Government Oversight (POGO) [identified 25 Generals, 9 Admirals, 43 Lieutenant Generals, and 23 Vice Admirals that had gone through the revolving door from military service to the defense industry.](#) The private sector is set up to make their transition as simple as possible, with training and networking opportunities meant to prepare them for leadership positions at major corporations. According to [KPMG US](#), nearly 450 admirals and generals have participated in its “From Battlefield to Boardroom” program, and around half served on boards afterward. POGO [found](#) that alums have taken positions at major defense contractors like Raytheon, Leidos, and Cubic Corporation.

The New York Times recently [exposed](#) a trove of emails detailing efforts to influence the Department of Defense’s contractor decision for its Joint Enterprise Defense Infrastructure (JEDI) project, an initiative meant to transition the Pentagon to a cloud-based network. In one case, Sally



Donnelly, a close advisor to Secretary of Defense Jim Mattis, references the revolving door in what seems like a pitch email to her boss. She points out that Amazon had hired “many” former U.S. government intelligence experts. Notably, Donnelly’s former consulting firm once had Amazon as a client. Microsoft initially got the contract, which -- coming in at \$10 Billion -- was the biggest in the United States’ history. However, Amazon sued, arguing that President Trump may have interfered with the decision-making process, and the Department of Defense ultimately revoked its decision.

The interwoven nature of the United States’ Defense Department and defense industry is far from new. In a 1959 House Oversight Committee hearing, Vice Admiral Hyman G. Rickover noted, “I myself don’t get pressured by outsiders, but they do go higher up and get pressure put on me that way,” also emphasizing “**it is almost subversive not to want to spend Government money.**”

So, what would the *For the People Act*’s reforms on the cooling-off period for certain Senior Personnel actually do to slow the revolving door?

Passing the *For the People Act* would make it much harder for lobbying firms to exploit loopholes in lobbying and ethics rules, further limiting the conflicts of interests that so often define federal policymaking.

To see how the revolving door works, take Covington and Burling, a prestigious lobbying firm that has become a popular landing spot for high-level officials leaving government service. Two out of five of the individuals in its practice that hold a Senior Advisor position on aerospace defense and national security issues have held previous positions that would have been impacted by the *For The People Act*’s expanded cooling-off period requirements. In 2021 alone, the firm has picked up two departing senior Defense Department employees: David Norquist and Michele Pearce.

David Norquist, brother of anti-tax lobbyist Grover Norquist, accepted a senior advising position at Covington just [three months](#) after leaving his position in the Department of Defense. He served as second-in-command of the Pentagon (Deputy Secretary of Defense) for almost [two years](#) and, according to his new employer’s [website](#), now “provides strategic advice and helps clients in the aerospace and defense sector navigate policy and regulatory challenges”—almost sure to be activity that would fall afoul of the new restrictions.



Michele Pearce [joined](#) Covington at around the same time, fresh off of her post as Acting General Counsel to the Department of the Army. Her position typically falls under the umbrella of those impacted, though holding it in an acting capacity may change her ethical obligations. She now [provides](#) “advisory and advocacy support to clients facing policy and political challenges in the aerospace and defense sectors.”

Under current law, neither Pearce nor Norquist need to register as lobbyists, and their lack of official interaction with their agency offers legal protection. **Strategic advising**, or providing guidance on how to lobby without directly joining the meeting, has become a popular way to skirt both ethics and disclosure rules, allowing firms and clients to obscure their relationships and former officials to exchange their connections for immediately lucrative private-sector jobs. The *For the People Act* qualifies advising of this sort as a form of direct lobbying contact, a change built to force people like Pearce and Norquist into officially registering as lobbyists.

Although these restrictions impact outgoing government employees, they have a major impact on those reentering prominent positions as well. In 2016, current **Secretary of Defense Lloyd Austin** [retired](#) as a Four Star General, a position that would be impacted by expanded revolving door restrictions. A ban on advising might have complicated his participation [on the board](#) of defense contractor Raytheon and minimized potential conflicts of interest. Following [criticism](#) and [questioning](#), Secretary Austin [made commitments](#) beyond the scope of his ethics pledge, promising to recuse himself from making decisions about Raytheon for four years and to not become a lobbyist or take a board position at a defense contractor after vacating his position.

Cabinet Members

The benefits of these reforms extend far past the defense industry. Besides Lloyd Austin, several other members of the Cabinet would likely have been subject to these restrictions at one point in time before taking their positions.

Secretary of State Antony Blinken has received [particular criticism](#) of his own for skirting traditional ethics rules. According to disclosure forms, Blinken founded WestExec, a strategic advising firm, mere months after vacating his position as Obama’s Deputy Secretary of State. He headed the group with **Michèle Flournoy**, another Obama administration alum who was heavily considered for the Biden Administration’s Secretary of Defense. Under the new revolving door rules, Blinken would not have been able to take part in strategic consulting of any sort for a 2 year period.

WestExec picked up other major players besides Blinken and Flournoy; **Avril Haines**, current Director of National Intelligence, joined the organization shortly after vacating her position as the



Principal Deputy National Security Advisor. If she received this appointment through [section 105\(a\)\(2\)\(B\) of title 3](#), she was subject to the same ethics rules as Blinken.

Director of Homeland Security Alejandro Mayorkas might have faced roadblocks of his own. According to his 2016 [termination filing](#), Mayorkas joined as a partner at law firm Wilmer Cutler Pickering Hale & Dorr LLP the day after ending his position as the Deputy Secretary of Homeland Security. Less than a year later, his firm [lobbied](#) his former department on behalf of the Associated General Contractors of America. While Mayorkas himself could not lobby directly at that point in time, he may have given insight to the firm's registered lobbyists without needing to disclose his activity. [Neither lobbyist](#) disclosed a background working in the Department of Homeland Security, so having the former Deputy Director on staff may have been helpful in giving them the inside read. Under the new revolving door rules, Mayorkas would have been barred from this kind of advisory role.

For many of the government's most powerful figures, the revolving door is a decades-long cycle, allowing officials to exchange their connections for lucrative private-sector gigs, then move back into government service with a newly hefty rolodex. Further restricting this practice -- from expanding cooling off periods to broadening what qualifies as influence during that time -- would create layers of protection for US citizens and better ensure that our government works for the people, not government contractors.